

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

## REGION 5

## 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590

SEP 2 6 2018

REPLY TO THE ATTENTION OF:

WU-16J

## <u>CERTIFIED INTERNATIONAL MAIL</u> RETURN RECEIPT REQUESTED

Mr. Peter Bilodeau Energex Petroleum, Inc. 2105 Victoria Avenue Windsor, ON N8X 1P8 Canada

Re:

Underground Injection Control (UIC) Permit Application No. MI-125-2R-0003

Dear Mr. Bilodeau:

I am writing in response to your September 18, 2018 letter in which Energex Petroleum (USA) LLC requests an additional 60 days, to November 23, 2018, to provide a financial assurance mechanism that is sufficient to close, plug, and abandon the proposed Lanphar 1-12 injection well. The September 18 request follows a July 27, 2018 letter in which Energex committed to provide a mechanism by September 21, 2018. As noted in EPA's August 15, 2018 letter, the permitting regulations prohibit EPA from processing an application for a UIC permit until it has met all applicable requirements including, but not limited to, proof of a fully-funded financial assurance mechanism to close, plug, and abandon the well. See 40 CFR §§ 124.3(a)(2), 144.52(a)(7) and 146.24(a)(1)(9).

If you are unable to provide a mechanism by October 29, 2018 you may withdraw your application until you have all of the required information. Once you have all of the required information, you may resubmit your full permit application at any time.

Under EPA regulations, if an applicant fails or refuses to correct deficiencies in the application, the permit may be denied. If, by October 29, 2018 we do not receive the additional information and if you do not withdraw your application, EPA plans to deny your permit application. See 40 CFR § 124.3(d).

Please note that, to ensure the protection of underground sources of drinking water, the Safe Drinking Water Act Section 1421 prohibits underground injection which is not authorized by rule or a permit issued by EPA or an authorized State. Safe Drinking Water Act, 42 U.S.C. 300h(b)(1)(A).

Thank you for your consideration. If you have questions, please contact Anna Miller of my staff at (312) 886-7060 or by email to miller.anna@epa.gov.

Sincerely,

Stephen M. Jann

Chief, Underground Injection Control Branch

cc: Dave Ross, Assistant Administrator, Office of Water